DOCUMENT RESUME

ED 281 571 JC 870 113

AUTHOR Cofer, Berdette H.; Cunningham, W. Dean
TITLE Public and Private Cooperation in Providing Student Housing. ACCCA Management Report, 1986-7/3.
INSTITUTION Association of California Community Coll. Administrators.
PUB DATE 3 Jul 86
NOTE 11p.
PUB TYPE Reports - Descriptive (141)

EDRS PRICE MF01/PC01 Plus Postage.
DESCRIPTORS *College Housing; Community Colleges; Construction Costs; *Construction Needs; Cooperative Programs; *Facility Requirements; *School Business Relationship; Two Year Colleges
IDENTIFIERS *Columbia College CA

ABSTRACT

Prospective students interested in attending Columbia College, which is located in a rural area near Sonora, California, have, until recently, faced a lack of available on- and off-campus housing. In 1983, a local developer expressed an interest in building and operating student housing on campus. After determining the feasibility and legality of such an arrangement, the college adopted a resolution stating an intention to lease property for the purpose of requiring a lessee to construct and operate student housing and to receive and consider proposals for the joint occupancy of such housing. A Request for Proposals, which was developed by a campus committee, specified minimum legal requirements, as well as college/district requirements concerning costs and budgeting, design approval, operational plan approval, and security responsibilities. A public hearing was held to review the proposals and award the 40-year lease. This unique arrangement between a public agency and a private builder cooperating to construct student housing offers the following benefits: (1) students have quality housing located on campus at a reasonable rate; (2) the college gains student housing at no cost to its budget; and (3) private capital is investing in the future of Columbia College. (AYC)

****
* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *
****

ED281571

Management Report

1986-7/3

Public and Private Cooperation in Providing Student Housing

By:

Berdette H. (Bert) Cofer

Dr. W. Dean Cunningham

JC 870 113

"PERMISSION TO REPRODUCE THIS MATERIAL HAS BEEN GRANTED BY

R. Liedlich

TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)."

ACCCA Your Professional Association

U.S. DEPARTMENT OF EDUCATION
Office of Educational Research and Improvement
EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)

X This document has been reproduced as received from the person or organization originating it.

☐ Minor changes have been made to improve reproduction quality.

• Points of view or opinions stated in this document do not necessarily represent official OERI position or policy.

Association of California Community College Administrators

ABOUT THE AUTHORS

Berdette H. ("Bert") Cofer is Vice Chancellor, Business Services for the Yosemite Community College District, a position he has held since 1976. Prior to that time, he spent nine years as Dean of Business Services at West Hills College in Coalinga, where he began his community college career. He previously spent eight years as Assistant Superintendent for Business, Hanford Joint Union High School District. Mr. Cofer earned his B.A. from California State University, Chico and his Master's degree in Educational Administration from U.C. Berkeley.

W. Dean Cunningham has been President of Columbia College since 1979. Before assuming that position, Dr. Cunningham spent 14 years at College of the Redwoods in Eureka. He began his community college career there as an Instructor in Mathematics, later became Chair of the Science and Math Division, and then served as Vice President for Instruction and Student Services. Dr. Cunningham earned his B.A. at Doane College, Nebraska, his M.A. at Illinois Wesleyan University, and his Ed.D. at Arizona State University.

FOREWORD

When a draft of the following paper came to my attention as a potential Management Report, I raised a question about its relevance to community colleges other than those characterized as "small" and "rural." It was an opportune time to ask it. Last year, I proposed to the Management Development Commission that we establish an Editorial Review Board for Management Reports to help identify prospective subjects and authors, to review drafts of manuscripts submitted for consideration, and to assess the overall effectiveness of this publication. The Commission and the ACCCA Board of Directors responded positively to that recommendation, and in the Fall of the current academic year, I was fortunate to secure the services of Jack Bessire, Dean of Students at Monterey Peninsula College; Marjorie K. Blaha, Superintendent/President at Solano Community College; and William M. Vega, President of Coastline Community College. Both Marge and Bill are colleagues on the Management Development Commission, and Jack is well known to ACCCA members as the Editor of Ad Com, a role which ensures a continuing linkage between the two major publications of the organization. In addition, this triad provides a balance of geographic distribution, as well as that of personal and professional viewpoints. What all three have in common are the knowledge and skills to assure the needed assistance and a willingness to add yet another responsibility to their already lengthy lists.

This Management Report is the first to come under review by the new Board, and it was sent to them with my question about its relevance to other colleges. The Board recommended its publication, one member reporting there were already indications of interest among other colleges, another urging that a point be made that this kind of cooperative project need not be limited to residential construction. The Board's judgment was confirmed when the American Association of Community College trustees published a slightly modified version of this paper as an article in their ACCT Trustee Quarterly and the authors were invited to make a presentation on the subject at the annual ACCCA Conference.

The current Report presents then not only a new development in cooperative enterprise between public and private agencies but the first issue of this publication under its newly formed Editorial Review Board. We welcome responses from ACCCA members to this and subsequent issues so that we can make our Management Reports of interest and importance to each of you.

Ray Liedlich
Columbia College

PUBLIC AND PRIVATE COOPERATION IN PROVIDING STUDENT HOUSING

BY BERDETTE H. (BERT) COFER and DR. W. DEAN CUNNINGHAM

INTRODUCTION

Columbia College, located near Sonora is one of the smaller California Community Colleges. It advertises "A Quality Education - in a Quality Environment" and delivers on the promise in an idyllic setting in the foothills of the beautiful Sierra Mountains in Central California. The region is best known for the 1849 Gold Rush. Columbia State Historical Park, a restored gold rush community, is located just two miles from the college campus.

Although Columbia is relatively small, it offers several unique programs which appeal to students from all regions of the state and nation. Search and Rescue, Fire Technology, and Hospitality Management are but three of the programs. The beautiful, natural environment of pines and oaks around a placid lake on campus attracts many students who look to escape the less natural environments of urban areas.

Prospective students from outside the area interested in attending Columbia College have, until recently, faced a lack of available housing. The small, rural area has had almost no housing appropriate for students, and since its beginning in 1968, the campus has had no student residence facilities. Many who have expressed an interest in attending Columbia turned to other choices when they discovered there was little chance of finding suitable living accommodations. The situation worked to the disadvantage of the college as well as individual students. Every survey taken over the years revealed a need for a larger nucleus of full-time students. Since 40 to 50 percent of local high school graduates are already attracted to the college, it has long been apparent any growth

would have to come from outside the immediate service area.

Over a several year span, the college cooperated with private owners of adjoining land, in the hope they would build suitable housing for students. Good intentions never resulted in action. Finally, Columbia applied for HUD loans for construction of on-campus housing. These efforts also resulted in disappointment. Unless the college already had housing and could justify the need for more, the likelihood of receiving these funds was slim indeed.

In 1983 the President of the College was approached by a local developer who expressed an interest in building and operating student housing on campus. The matter was referred to the Vice Chancellor, Business Services for consideration relative to both the feasibility and the legality of such an arrangement. Legal counsel was consulted, and it was determined that the California Education Code does provide a means by which student housing can be provided in the manner suggested by the developer. There is a body of California law which permits a community college district to lease property to a private person, firm, or corporation for the purpose of entering into a joint occupancy arrangement for the provision of facilities. The law provided that the district must jointly occupy any facility so constructed and that title to that portion so occupied must rest with the district. As it turned out, the Yosemite District has been the first in the state to provide any facility utilizing this legal authority.

The District Board of Trustees was required to adopt a resolution stating an intention to lease property for the purpose of requiring a lessee to construct and operate student housing. The resolution stated the district's intention to receive and consider proposals for the joint occupancy of such housing. Sealed proposals, in response to minimum specifications outlined in a Request for Proposals (RFP), were requested

and were received in March, 1984. Subsequently, a public hearing was held at which time proposals were reviewed and an award made to the successful proposer.

The RFP itself was developed by a committee consisting of the college President, Dean of Instruction, and Dean of Student Services, as well as the Vice Chancellor, Business Services, the Director of Purchasing and Director of Buildings and Grounds. Operating under the guiding concept that the project should be mutually beneficial to both developer and college, the committee developed a draft RFP which was reviewed by other staff members as well as the Board of Trustees. The committee also believed it was important that the RFP convey a feeling or attitude that the college was desirous of support from the private sector--cooperation rather than competition--in providing student housing. The RFP as finally developed contained the minimum legal requirements as well as provisions that in the committee's judgment represented the district's best interests. The requirements in these two categories were:

LEGAL REQUIREMENTS

a) The law defined "buildings" to include "onsite and offsite facilities, utilities and improvements which as agreed by the parties are appropriate for the operation of the buildings...." On this basis, legal counsel held that the district could take title and control of utilities--sewer, water, and gas lines--and satisfy the joint occupancy requirement.

b) The successful proposer was required to secure local and state permits as well as approval of the Office of State Architecture (OSA) and the Office of the Chancellor, California Community Colleges. Even though the facilities were to be neither constructed nor operated by the college, the law required that construction be in accordance with earthquake standards (Field Act) since the facilities at some future date will become sole property of the college.

c) The developer/operator as lessee is required at all times to hold policies of worker's compensation and liability and property insurance in specified amounts. The college district must be an additional named insured on all such policies.

d) The district was to employ a building inspector approved by OSA. The developer was required to assume responsibility for all inspection costs--fees as well as the salary of the construction inspector--and to reimburse the district for any of its out-of-pocket costs.

e) The developer was required to agree not to exclude from participation in, deny the benefits of, or otherwise discriminate against, any person on grounds of race, color, creed, age, sex, or national origin.

f) Finally, the developer was required to file a bond or an irrevocable letter of credit issued by a state or national bank for the performance of the lease/agreement. The successful proposer chose to do the latter.

COLLEGE/DISTRICT REQUIREMENTS

a) The residence facilities were to be constructed and operated at no cost to the district.

b) Conceptual design plans were to be submitted with each proposal. Further, all working drawings were subject to review and approval by the district, both before and after the award of a construction contract.

c) Building design had to be compatible with existing campus facilities. It was also required that the site development preserve the natural wooded environment. It was specified that maintenance of both the buildings and the site must be compatible with established campus standards.

d) Since the college quite naturally has a vested interest

in the welfare of its students, the developer was required to submit an operational plan for their terms of the agreement. This was to include agreement to the establishment of a Residential Council consisting not only of representatives of the residents, but also the Dean of Student Services and the Director of Buildings and Grounds. Additionally, the plan had to provide for a full-time, non-student manager in residence. Also, consistent with the College's interest in student welfare, the developer was limited to annual increases in rental rates no greater than the consumer price index. The Residential Council is to review and make recommendations concerning renter qualifications, rental rates, maintenance, resident conduct and governance, qualifications and evaluation of the manager, and advertising for student renters.

e) The developer was required to provide an annual budget for advertising the college, its curricular offerings and the residence facilties.

f) Security of the facilities was to be a responsibility of the developer. Fire protection, since the college has a Fire Technology program and maintains its own fire station, was to be provided by the college.

g) A final provision of the agreement between the developer and district was that no assignment or subleasing may occur during its term unless agreed to by the district.

All of the above conditions were included in the final operational agreement and ground lease which were executed by the parties. The district's legal counsel and attorneys for the developer assisted in drafting both documents to assure adherence to the minimum requirements of the RFP. The lease is for a period of forty (40) years at which time the facilities are to become the property of the district debt-free.

The district obviously could have entered into the agreement as a means of generating revenue. It chose to receive from the developer only a dollar a year because the additional state apportionment is expected to more than offset any potential loss in lease revenue.

SUMMARY

This unique arrangement of a public agency and a private builder cooperating to construct student housing is beneficial for all. First, students have quality housing at a reasonable rate and on campus for ease of access. Second, the college has its needed student housing at no cost to its budget (or to the public). Third, private capital is investing in the future of Columbia College, which will promote future growth to ensure a return on the investment. It is a "win win win" situation.

If the college and district were to repeat this project, there would be at least one major change. Housing plans would be drawn by the district architect and attached to the RFP. If the district were to develop the plans, then competition would be limited to a consideration of time lines, operational plans, rental rates, etc. This arrangement would allow for a better comparision of the RFP's submitted, and minor adjustments to construction plans could be negotiated with prospective investors. Such a project could proceed more smoothly and expeditiously if the college were to have architectural plans prepared before requesting proposals. Problems in design and construction could be avoided if proposers were better informed in advance as to college needs and desires. In this situation the district was fortunate that the successful proposer engaged the architect who had been involved with the campus from its inception. This fortuitous circumstance certainly assisted in minimizing and avoiding possible conflicts.

One critical need for planning involves the college use of the student housing during the summer months. Prospective

investors must be shown that the facilities will be used during those three months when college attendance is traditionally at a minimal level. This need places a real responsibility on the college administration for planned workshops, seminars, conferences and other activities which can assist in maintaining a high occupancy rate. If the college needs and wants housing built by private investors, it must realize there are costs involved. One of these costs is the time, effort and follow through required to maintain a productive summer program. It will require a year-around effort to keep the housing filled. Anything less than a sustained effort will jeopardize this unique joint private and public venture.

ERIC Clearinghouse for
Junior Colleges
JUN 19 1987